

Unemployment Law Changes For 2019

Effective October 1, 2019 Enhanced Fraud Penalties Will Apply!

Claiming Unemployment Insurance (UI) benefits based on providing false, misreported, or unreported information to the Arkansas Division of Workforce Services (ADWS) is considered UI fraud. If you deliberately make a false statement or withhold information to receive benefits, you are committing an act of fraud. Below are changes to the law that will be enforced:

- ★ The disqualification period for individuals filing an initial claim under false pretense will increase from 10 weeks to 20 weeks and potential benefits will be reduced to zero.
- ★ The application of the fraud disqualification period will increase from 2 ½ years to 5 years.
- ★ The fraud penalty is increasing from 15% to 50%.
- ★ All fraudulently obtained benefits, including penalties and interest must be repaid prior to receiving any future unemployment benefits.

FRAUD ALERT

Is Severance Pay Reportable ?

Act 453 states that even a partial payment of separation or severance pay shall be treated as a full week of separation pay. Benefits are not paid for weeks of separation pay. Failure to report separation pay when filing a claim can result in a determination of fraud and ensuing penalties will apply.

* Requalifying Requirement For Newly Filed Claims Increases *

Requalifying wages for a newly filed claim will increase to ten(10) times the new weekly benefit amount . Participants must have new work that is covered by UI tax law between the initial filing date of their expiring claim and their new claim.



Arkansas Division of
Workforce Services